REMARKS

Claims 1-33 are pending in the application. Claims 3-5, 19-21, and 23-25 are withdrawn from consideration. Claims 1, 17 and 22 are allowed. 1, 2, 6, 7, 10, 11, 14, 15 and 26-33 stand rejected by the Examiner. Claims 8, 9, 12, 13 and 18 are objected to. The Examiner's objections and rejections are addressed below in substantially the same order as in the office action.

CLAIM REJECTIONS UNDER 35 U.S.C. § 102

Claims 1, 10 and 14 stand rejected under 35 U.S.C. § 102(b) as being anticipated by Tetzlaff et al., 5,988,992. The Examiner contends that Tetzlaff et al. discloses a conveying a tubular (11) with a pump (37) not used for drilling, a motor (21) providing power and pressure sensor (23). Independent claims 1 and 14 have been amended to recite transmission of information indicative of the downhole condition to a surface location. Such a recitation is not shown in Tetzlaff. Moreover, there is no suggestion that the signals from the sensor (23) are transmitted to the surface. Applicant observes that while a power line is shown for the motor, a data line is not shown for the sensor 23. Thus, Tetzlaff may be read to suggest that the sensor 23 is used to provide local control of the pump 37. Accordingly, claims 1 and 14, and dependent claim 10, are believed to be allowable over Tetzlaff et al

Claims 1, 7, 14, 15, 28, 32 and 33 stand rejected under 35 U.S.C. § 102(b) as being anticipated by Unsgaard, U.S. 6,158,512. The Examiner contends that Unsgaard discloses a tubular (4), a sand removal jet pump (5), a sensor within a container (6) or housing for detecting sand level (col. 3, lines 65+) of the downhole container and transmitting the signal uphole to the pump. Independent claims 1, 14, 28, 32 and 33 have been amended to recite transmission of information indicative of the downhole condition to a surface location. Like Tetzlaff et al., Unsgaard does not show such a

recitation nor suggests such a recitation. Thus, claims 1, 14, 28, 32 and 33, as well as dependent claims 7 and 15, are believed to be allowable over Unsgaard.

Additionally, with respect to claims 7 and 15, Unsgaard does not teach or suggest a controller positioned at the surface that is configured to control the workpiece. Thus, these two claims are allowable over Unsgaard for this additional reason.

Claims 1, 6, 11, 26, 27, 29, 30 and 31 stand rejected under 35 U.S.C. § 102(b) as being anticipated by Lynde et al., U.S. 5,404,944. The Examiner contends that Lynde et al. discloses a tubular work string (WS) configured to rotate a lower tubular (LT), the work string having a housing (25) with a make up tool (10) housing a torque sensor (col. 6, lines 5-9) and a mud pulse transmitter (254). Applicant observes that the piston 20 of Lynde et al. blocks flow of fluid across the make up tool (10). Independent claims 1, 11, 26, 27, 30 and 31 have been amended to recite a workpiece that is configured to have fluid flow thereacross. Such a feature is not taught by Lynde. Thus, Applicant submits that claims claims 1, 11, 26, 27, 30 and 31, as well as dependent claims 6, and 29 are allowable over Lynde.

Claims 1 and 2 stand rejected under 35 U.S.C. § 102(e) as being anticipated by Sharp et al., U.S. 6,848,506. The Examiner contends that Sharp et al. discloses a tubular (32) having a sensor (col. 7, lines39-50) and a fishing tool (210). Independent claim 1 has been amended to recite transmission of information indicative of the downhole condition to a surface location. Like Tetzlaff et al., Sharp et al does not show such a recitation nor suggests such a recitation. Thus, claim 1, as well as dependent claim 2, are believed to be allowable over Sharp et al.

Allowable Subject Matter

Claims 8, 9, 12, 13 and 18 stand objected to as being dependent upon a rejected base claim, but would be allowable if rewritten in independent form including all of the limitations of the base claim and any intervening claims. Applicant has rewritten claims 8, 9, 12 and 13 in such a fashion. Applicant submits that claim 18 is allowable as depending from an allowable base claim.

Claims 16, 17 and 22 stand allowed.

CONCLUSION

For all the foregoing reasons, Applicant submits that the application is in a condition for allowance. No fee is believed due for this paper. The Commissioner is hereby authorized to charge any additional fees or credit any overpayment to Deposit Account No. **02-0429** (284-34922-US).

Respectfully submitted,

Dated: January 22, 2008 /Chandran D. Kumar/

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